

The complaint

Mr P complained that Admiral Insurance (Gibraltar) Limited (“Admiral”) unfairly declined his storm claim under his home insurance policy.

What happened

Mr P made a claim to Admiral for the damage caused to his property by a storm. The render to the rear of the property had fallen away in one place and was badly damaged in another area. Mr P had a quote for the damage to be repaired which came to £2,650 plus VAT.

Admiral instructed a surveyor to review the damage and to validate the claim. Admiral acknowledged there were storm conditions at the time of the reported incident. However, it decided to decline the claim. Admiral said *“the surveyor who discussed the damage with your contractor confirmed the damage had occurred due to render failure and not a one-off event. Therefore, although the storm definition was met this is not the sole reason the damage has occurred. Damage caused to your property which has occurred over a gradual period of time is unfortunately not covered by your policy”*.

Mr P said he had maintained his property and provided invoices related to some previous work. He said the damage he claimed for had been caused by the storm, so made a complaint to Admiral.

Our investigator decided to uphold the complaint. She thought the damage was more likely caused by the storm rather than underlying wear and tear. Admiral disagreed with our investigator, so the case has been referred to an ombudsman.

What I’ve decided – and why

I’ve considered all the available evidence and arguments to decide what’s fair and reasonable in the circumstances of this complaint.

I have started by considering whether I think Admiral were reasonable in declining the claim. When our service looks at a storm claim, there are three questions to consider:

1. Do I agree that storm conditions occurred on or around the date the damage is said to have happened?
2. Was the damage claimed for consistent with damage a storm typically causes?
3. Were the storm conditions the main cause of the damage?

I will use this structure to work through the complaint. I’m likely to uphold the complaint if the answer to all three is ‘yes’. If the answer to one of the questions is ‘no’, I’m unlikely to uphold the complaint.

Do I agree that storm conditions occurred?

Admiral has acknowledged that the weather at the time met its definition of a storm, so I don’t need to consider this point any further. I’ll consider the next question.

Was the damage claimed for consistent with damage a storm typically causes?

I think significant winds could cause damage to render on exposed parts of a building. Therefore, as the damage observed was like this, I do think the damage claimed for is consistent with damage a storm typically causes. Therefore, I will consider the next question.

Were the storm conditions the main cause of the damage?

I have considered what Admiral said when it declined the claim. It said the damage was because of render failure and not because of a one-off event, such as a storm. I have checked the terms and conditions of the policy and it shows that “*gradual causes*” aren’t covered. This is defined in the policy as “*any loss or damage caused by anything that happens gradually, including wear and tear, wet and dry rot, or damage due to exposure to sunlight or atmospheric conditions, settlement, mildew, rust or corrosion*”.

Therefore, I think if Admiral has shown there was pre-existing damage to the property then I’m not likely to uphold this complaint. I will also consider if there’s evidence of reasonable maintenance to keep the property in good repair.

It’s Admiral’s obligation to prove the exclusion clause applies. I would expect Admiral to make its decision based on the expert it deployed to validate the damage and any reports that are produced. So, I’ve considered what the surveyor’s report included.

The conclusion to the report states “*After reference to the office as this is a grade 2 listed building in the damage is quite unique I have been advised to repudiate the claim based on the lines of failed render*”. I find this statement interesting. Normally the conclusion of a report will be a recommendation by the surveyor to approve or reject the claim – in this case, the surveyor hasn’t made a recommendation. The decision appears to have been made remotely by the office. This casts doubt in my mind whether the surveyor was of the same opinion.

Elsewhere in the report, the surveyor has commented:

“The property is grade 2 listed and is of a timber frame with render which is hair end chalk and lime. The property is also painted in white lime wash. The damage is to the rear of the property which has two apexes and a section of lower roof....The damage is to one of the apexes as you look at the property from the rear it is the left side a section of hair end and chalk lime has fallen away approximately one square metre, then below and to the left of this damage there is a section of hair end and chalk lime that has blown and could possibly fall down.

I did not want to use ladders against this wall just in case I caused further damage but to the areas I could reach the render appeared in good order and not loose”.

As the claim was rejected for gradual causes, I’d expect some reference to what was causing the gradual damage in the surveyor’s report. However, I haven’t been able to find a reference by the surveyor that the damage to the property was caused gradually or over time. I don’t think the conclusion Admiral has drawn is reasonable based upon what the surveyor has written. There is no justification as to why wear and tear caused the damage as opposed the storm.

I’ve also considered any maintenance that has been carried out to the property. Mr P has provided evidence that he had extensive work carried out to the render on his property in 2010 and 2018. In 2010, he spent over £2,000 on external render work on his property and in 2018 he spent over £13,000 on maintenance work which included removing the old render

and replacing with new render and painting it.

I think this provides a clear picture that Mr P has made every effort to keep his house in a good condition. The latest work was extensive and only four years ago. Therefore, I don't think there is evidence of pre-existing issues to the render. I don't think Admiral has shown the damage has been caused gradually. I think it's more likely the storm was the main cause of the damage to the property. As Mr P is covered for storm damage, I uphold this complaint. I require Admiral to settle the claim in line with the remaining terms and conditions.

My final decision

My final decision is I uphold this complaint. I intend Admiral Insurance (Gibraltar) Limited to:

- Settle the claim in line with the remaining terms and conditions of the policy.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr P to accept or reject my decision before 6 February 2023.

Pete Averill
Ombudsman